

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**ADDITIONAL BUDGET ESTIMATES 2010-2011**

Finance and Deregulation Portfolio

**Department/Agency: Medibank**

**Outcome/Program General**

**Topic: Impact of recent natural disasters on Medibank Private**

**Senator: Moore**

**Question reference number: F42**

**Type of question:** Written or Hansard F&PA 10, 22 February 2011

**Date set by the committee for the return of answer:** Friday, 15 April 2011

**Number of pages: 3**

**Question:**

**Senator MOORE**—I just wanted to get some of that on record for the Senate process but, on notice, is the department going to be doing some kind of a report? I am particularly interested in the way the disaster plan kicked in and how computers and the interaction with the other networks locally operated. Is it possible to get a bit of a report for the committee just generally on the way that the organisation was impacted and the various steps that were taken to look at it?

**Mr Savvides**—I would be delighted to do that, Senator. I will compile the report and send it.

**Answer:**

Report attached as [Attachment A](#).

## F42 Attachment A: The impact of the 2011 floods on Medibank's operations in Queensland and our response

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### **Background**

Significant flooding occurred in many areas of Queensland during late December 2010 and early January 2011 with three quarters of the state declared a disaster zone. Medibank's operations were affected by the flooding, particularly in the period of intense rainfall and the resultant flooding in South East Queensland in mid January.

This report briefly explains the impact of the floods on Medibank's operations, our response, our support for affected staff and our community response.

### **Operational impact and response**

While no physical damage was incurred during the flood emergency, a number of Medibank facilities were closed during the height of the crisis. On Tuesday 11th January, with the flood situation set to escalate, Medibank activated our Business Continuity Plan (BCP) in Queensland, ensuring a timely response to the crisis. The Australian Government was informed of this development.

### **Medibank Private**

The following Medibank Private retail centres closed at various points during the flooding:

- Brisbane Post Office Square;
- Capalaba;
- Carindale;
- Chermside;
- Indooroopilly;
- Ipswich;
- Maroochydore;
- North Lakes; and
- Toowoomba.

All Medibank Private retail centres, with the exception of the store located in Brisbane Post Office Square, were open for business by Monday 17 January. Due to flooding in Post Office Square's basement, reopening in this store was delayed until 24 January although there was a kiosk set up outside from Thursday 20 January in order to assist customers.

Medibank also worked to assist hospitals that were evacuated as a result of the flood crisis, helping relocate patients to alternative facilities. As the crisis eased, we also helped a small number of members, who were discharged but unable to return to their homes because of the flooding, find suitable alternative accommodation. This assistance involved negotiating accommodation with hospitals and covering the cost on behalf of the affected members.

Due to a loss of electricity, Medibank's Queensland headquarters at 444 Queen Street in Brisbane's central business district was closed on 12 January. It was reopened with limited staff on 17 January with all staff allowed access from the following day. Importantly, critical business functions undertaken at 444 Queen Street site were recovered within specified timeframes .

### **Medibank Health Solutions**

Some Medibank Health Solutions clinics also closed. Affected locations included the:

- Workplace health clinic in Ipswich;

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- Workplace health clinic in Oxley;
  - Workplace health clinic in Northside;
  - Rapid Care Clinic in Cannon Hill; and
  - Travel Doctor in central Brisbane.

The Brisbane Workplace Health clinic, located in the central business district, remained operational throughout the Brisbane flood event, although was affected by staff isolation on Friday 14 January.

All Health Solutions Clinics were fully operational by 17 January.

Clinic closures caused a short term revenue impact on Medibank Health Solutions. Over the medium term, we anticipate further revenue impact due to several large clients in flood affected areas being delayed in reopening. Further, as some mine sites in Queensland have had to cut or halt production, a slow down in pre-employment screenings is likely.

### ***Supporting our staff***

Medibank staff reside in areas affected by the floods with some reporting their properties affected by inundation resulting in property damage. From Tuesday 11 January, Medibank's Business Continuity team monitored staff directly affected. Medibank took a proactive role in assisting these staff members with measures including:

- Communicating the availability and value of Medibank's Employee Assistance Program (EAP) to staff. The EAP includes provision of free and confidential counselling services for team members who seek it;
- Provision of immediate \$1000 cash payments to staff directly impacted by the floods;
- Distribution of insect repellent to impacted staff;
- Free hepatitis A, hepatitis B & tetanus vaccination for staff and families; and
- All staff in Queensland were provided with a \$200 credit card which can be used anywhere like an EFTPOS card. In the spirit of friendship, some team members who were unaffected by the floods gave them to other staff who were impacted.

Monitoring of the welfare of staff directly impacted by these events is ongoing.

### ***Delivering for the Community***

Consistent with Medibank's desire to play a positive role in the community, the organisation responded swiftly and generously to support people impacted by the flood and its physical and emotional effect.

Commitments include:

- The establishment of a free 24-hour telephone hotline to provide counselling for people experiencing psychological or emotional distress as a result of the floods;
- Premium relief to Medibank Private and ahm members affected by the floods;
- A donation of \$250,000 to the Premier's Flood Relief Appeal;
- Matching all staff donations through our 'gift-matching' scheme. Staff donated over \$23,800 to programs assisting with the Queensland/NSW flood relief efforts and Medibank matched amount; and
- Donating \$100 per goal scored at a charity ice hockey match played at the Medibank Icehouse in Melbourne.